

CASE STUDY

SmartVoyager, Galapagos

SmartVoyager is a certification program designed to minimize the impact of tour boats in the Galapagos Islands. Operators that meet the programs standards are certified and may use the "SmartVoyager" label in marketing their services. SmartVoyager standards were designed in collaboration with scientists, conservation experts and tour operators, and cover a host of environmental and social concerns. SmartVoyager certification was launched in May 2000 and, in its first year, five boats were certified after assessment by C&D auditors. The largest boat carries 100 passengers, one is midsize (48), and the other three are small (20 each).

Most small boat operators showed little interest at first in becoming certified. Small boats are usually individually owned and family operated. As with most small enterprises, they have limited funds for upgrading equipment and little interest in changing procedures. The perception was that SmartVoyager standards were complex and rigorous, and that while certification might be worthwhile for large firms, it was neither achievable nor affordable for small, family-owned operations. In addition, small boat operators have faced a decline in tourism since 9-11-2001.

With support from the World Bank-financed International Trade and Integration Project, C&D and RA were able to test the applicability of the SmartVoyager standards to small boats. Through an intensive outreach effort, small boat operators were made aware of the challenges and opportunities afforded by SmartVoyager certification and how they could participate in reviewing the standards. A cross-section of small boat operators determined that 93 percent of the original requirements are applicable to all boats regardless of size. The remaining 7 percent did not apply mainly due to differences in the way large and small operators purchase and store supplies, and availability of space for desalination systems and holding tanks. These standards were then revised so that they could be applied to small boats.

This outreach effort enabled the small boat operators to learn what the standards required; how to comply with the requirements; and, most importantly, why the requirements were included in the standards. After this training and motivation, a number of boat operators began to implement practices specified in the standards. C&D auditors assessed 34 small boats, and 24 were found to comply with all applicable technical requirements. Six of these have been formally certified. Of the remaining 18, eight have the resources to upgrade equipment and can be certified after additional training and technical assistance in such areas as documenting their environmental policies and performing internal audits. The remaining ten small operators lack the funds to replace and upgrade equipment that does not comply with SmartVoyager requirements. Examples include replacing air conditioners and refrigerators using CFCs, replacing twostroke outboards with four-stroke models, and installing noise-abatement systems on propulsion and generator engines.

It is expected that, as market recognition of SmartVoyager certification continues to grow, its competitive value will be broadly demonstrated and help stimulate access to credit to enable the remaining small boats and many mid-size boats to make the capital improvements needed to implement the standards and achieve certification.

Results and lessons to date

The initial small boat certification initiative was achieved in 14 months with an investment of less than \$66,000 and has yielded a number of accomplishments. This modest effort has already yielded significant return on investment (ROI) in protecting natural and human capital and the competitiveness of Ecuador's tourism industry. Local auditors have been trained.

Boat operators now understand to a far greater degree the impact of their boats and practices on

the delicate environment of the Galapagos, and what they need to do to maintain biodiversity and protect the environment. Local boat operators have been familiarized with the goals and methods of setting standards and verifying compliance, misunderstandings have been clarified and interest in the program fostered. There has been widespread acceptance that SmartVoyager standards are appropriate guidelines for improving performance and becoming environmentally and socially responsible. Designers of new boats are applying the standards in their design process. And with peer pressure and competition from certified operators, other boat operators are being motivated to ask for training and technical assistance so they too can comply with the standards and secure SmartVoyager certification. If funding for such assistance becomes available, a much larger portion of the fleet will be certified.

Finally, the SmartVoyager certification program has been promoted widely throughout the international tourism industry, enhancing Ecuador's reputation and the competitiveness of its tourism sector. Other segments of Ecuador's tourism sector see the SmartVoyager program as a model for their operations and for engaging small enterprises in environmental initiatives.

Some of the lessons from the initial implementation of the program include (1) small businesses need to be brought in to an initiative right from the beginning in order to gain acceptance and support; (2) all parties who benefit should share in the costs including tourists, tour operators and the national park; and (3) certification appears to be commercially advantageous enough to an enterprise to be self-supporting once its benefits are demonstrated.

Excerpted from:

Valdivieso, Jose, Bob Toth, James Hanna, and Juan Quintero. Ecuador: Fostering environmentally sustainable tourism and small business innovation and growth in the Galapagos. World Bank newsletter "En Breve", June 2003, No. 6

SmartVoyager Certification Criteria:

Company Policy : the Company must have a management policy that includes compliance with national legislation, international agreements as well as Smart Voyager Standards

Conservation of Natural Ecosystems: the tourist operation must support and promote conservation in the Galapagos National Park and the Marine Reserve

Lowering the Risk of Introduction and Dispersal of Exotic Species: the tourist operation must prevent the introduction of species from the continent to the islands and the dispersal of species between islands

Just and Proper Treatment of Workers: the tourist operation must improve the socioeconomic welfare and quality of life of workers and their families

Employee Training: all personnel involved with the tourist operation must receive environmental education and training

Community Relations and Local Welfare: the Company must make a commitment to the welfare and socioeconomic development of the Galapagos Islands community

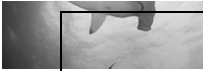
Strict Control of Use, Supply and Storage of Materials: boat operators must plan and control the consumption, supply and storage of materials, taking into consideration the well-being of tourists, workers, local communities and the conservation of natural ecosystems

Integrated Waste Management: boats must follow a waste management plan, including the reduction, reuse, recycling and adequate final treatment and disposal of all wastes

Commitment on the Part of the Tourist: tourists must be guided in their involvement in protecting natural resources and local cultures, tread lightly and collaborate with the island conservation programs

Safety: the Smart Voyager Program does not guarantee safety but certified boats must adhere to international safety standards and have all the appropriate licenses and approvals

Planning and Monitoring: tourism operations must be planned, monitored and evaluated, taking into consideration technical, economic, social, and environmental factors.



Source: Rainforest Alliance